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Attorneys for Debtor and Debtor in Possession

UNITED STATES BANKRUPTCY COURT

CENTRAL DISTRICT OF CALIFORNIA

LOS ANGELES DIVISION

In re:

CRESTLLOYD, LLC,

Debtor and Debtor in Possession.

Case No.: 2:21-bk-18205-DS

Chapter 11 Case

**STIPULATION RESOLVING REQUEST
FOR PAYMENT OF CHAPTER 11
ADMINISTRATIVE EXPENSES OF
SHOWROOM INTERIORS, LLC DBA
VESTA [DKT 357]**

Continued Hearing:

Date: September 22, 2022

Time: 11:30 a.m.

Place: 255 E. Temple Street
Los Angeles, CA 90012

VIA ZOOMGOV ONLY

1 This *Stipulation* (“Stipulation”) *Resolving Request For Payment Of Chapter 11*
2 *Administrative Expenses Of Showroom Interiors, LLC dba Vesta* is entered into by and between
3 Crestlloyd, LLC, the Chapter 11 debtor and debtor in possession herein (the “Debtor”), and Showroom
4 Interiors, LLC dba Vesta (“Vesta” and together with the Debtor, the “Parties”), with respect to the
5 following:

6 **RECITALS**

7 A. On October 26, 2021 (the “Petition Date”), the Debtor commenced this bankruptcy case
8 by filing a voluntary petition under Chapter 11 of the Bankruptcy Code.

9 B. Thereafter, the Court established June 6, 2022 as the deadline by which any party, other
10 than the United States Trustee, the Clerk of the Court, and professionals employed at the expense of
11 the estate, had to file and serve a request for the allowance and payment of an administrative expense
12 priority claim of the kind described in 11 U.S.C. § 503(b), that is entitled to priority under 11 U.S.C. §
13 507(a)(2), and that was incurred or accrued or arose on or before April 30, 2022 [Dkt 289].

14 C. On June 3, 2022, Vesta submitted its “*Request For Payment Of Chapter 11 Administrative*
15 *Expenses of Showroom Interiors, LLC*” (the “Request for Payment”) [Dkt 357] asserting an
16 administrative expense claim in the amount of \$320,263.04.

17 D. On June 23, 2022 the Debtor filed its preliminary objection to the Request (the
18 “Preliminary Objection”) [Dkt 367]. Thereafter, on July 13, 2022, Vesta submitted its reply to the
19 Preliminary Objection (the “Reply”) [Dkt 383].

20 E. On July 21, 2022 the Court held a hearing (the “Hearing”) to consider the Request, the
21 Preliminary Objection, and the Reply. There, the Court continued the Hearing to September 22, 2022
22 at 11:30 a.m. to allow the Parties additional time to resolve any purported issues with respect to the
23 Request and to avoid the need for the Parties to incur additional attorneys’ fees in connection with
24 litigation.

25 F. Based on the Parties’ good faith settlement negotiations, the Parties reached agreement to
26 resolve the Request for Payment pursuant to the terms and conditions of this Stipulation.

STIPULATION

**NOW, THEREFORE, BASED ON THE FOREGOING RECITALS OF FACT,
WHICH ARE INCORPORATED INTO THE AGREEMENT BELOW, THE PARTIES
HEREBY AGREE AS FOLLOWS:**

1. Vesta shall be deemed to have an allowed chapter 11 administrative expense claim in the amount of \$65,000 (the “Allowed Admin Expense Claim”) and Vesta shall be deemed to have an allowed general unsecured claim in the amount of \$700,000 (the “General Unsecured Claim”).

2. Within five (5) days after the order approving this Stipulation becomes final and nonappealable, the Debtor shall pay to Vesta the amount of the Allowed Admin Expense Claim in full and complete satisfaction of the Allowed Admin Expense Claim.

3. Upon approval of this Stipulation, and except for the Allowed Admin Expense Claim and the General Unsecured Claim, Vesta shall be deemed to have released and does release, remise, relieve, waive, relinquish and discharge the Debtor, and its officers, employees, members, partners, shareholders, agents, representatives, and attorneys (collectively, the “Debtor Released Parties”), of and from any and all rights, claims, debts, demands, acts, agreements, liabilities, obligations, damages, costs, attorneys’ fees, expenses, actions, and/or causes of action of every nature, character and description, whether known or unknown, suspected or unsuspected, which Vesta had, now has, or may hereafter claim to have by reason of any matter, cause or circumstance, against the Debtor Released Parties, or any of them, arising from and relating to this bankruptcy case including, without limitation, the Request for Payment, Allowed Admin Expense Claim and the General Unsecured Claim.

4. Upon approval of this Stipulation, Debtor agrees to and does release, remise, relieve, waive, relinquish and discharge Vesta, and its officers, employees, members, partners, shareholders, agents, representatives, and attorneys, of and from any and all rights, claims, debts, demands, acts, agreements, liabilities, obligations, damages, costs, attorneys’ fees, expenses, actions, and/or causes of action of every nature, character and description, whether known or unknown, suspected or unsuspected, which the Debtor had, now has, or may hereafter claim to have by reason of any matter, cause or circumstance arising from and relating to the Request for Payment, Allowed Admin Expense Claim and the General Unsecured Claim.

1 5. A proposed order approving this stipulation will be lodged in the form o Exhibit "A" hereto.

2 **IT IS SO STIPULATED.**

3 DATED: September 13, 2022

LEVENE, NEALE, BENDER, YOO
& GOLUBCHIK L.L.P.

5 By: /s/ Jonathan D. Gottlieb
DAVID B. GOLUBCHIK
TODD M. ARNOLD
JONATHAN D. GOTTLIEB
Attorneys for Debtor and Debtor in Possession

9 DATED: September 13, 2022

DANNING, GILL, ISRAEL & KRASNOFF LLP

11 By: 
ZEVE SHECHTMAN
Attorneys for Showroom Interiors, LLC dba Vesta

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is: 2818 La Cienega Avenue, Los Angeles, CA 90034

A true and correct copy of the foregoing document entitled **STIPULATION RESOLVING REQUEST FOR PAYMENT OF CHAPTER 11 ADMINISTRATIVE EXPENSES OF SHOWROOM INTERIORS, LLC DBA VESTA [DKT 357]** will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On **September 13, 2022**, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

- Kyra E Andrassy kandrassy@swelawfirm.com, lgarrett@swelawfirm.com;gcruz@swelawfirm.com;jchung@swelawfirm.com
- Todd M Arnold tma@lnbyg.com
- Jerrold L Bregman jlbregman@bg.law, ecf@bg.law
- Ryan Coy rcov@bg.law, ecf@bg.law
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- United States Trustee (LA) ustpreion16.la.ecf@usdoj.gov
- Genevieve G Weiner gweiner@sidley.com, laefilingnotice@sidley.com; genevieve-weiner-0813@ecf.pacerpro.com
- Jessica Wellington jwellington@bg.law, ecf@bg.law

2. SERVED BY UNITED STATES MAIL: On **September 13, 2022**, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

None.

☐ *Service information continued on attached page*

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on **September 13, 2022**, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

None.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

September 13, 2022
Date

Stephanie Reichert
Type Name

/s/ Stephanie Reichert
Signature